

Message Text

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ACTION TRSE-00

INFO OCT-01 ARA-10 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05
SS-15 STR-07 ITC-01 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 /111 W

-----067125 032025Z /45

R 021925Z AUG 78

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 8506

LIMITED OFFICIAL USE BRASILIA 6058

DEPT PASS TREASURY FOR JOHN RAY

EO 11652 NA

TAGS ETRD BR

SUBJECT: BRAZILIAN EXPORT REBATES

REF A. TREASURY 8420 B. AMCONSUL RIO AIRGRAM A-48, DTD 7/11/78

1. FOLLOWING ARE DATA PROVIDED BY FORNELLES IN MINISTRY OF FINANCE
ON SUBSIDIZATION OF EXPORTS IN RESPONSE TO REFTEL. IT SHOULD BE
NOTED THAT THESE DATA ARE NOT PRECISE NOR LEGALLY DEFINED LEVELS
OF SUBSIDIZATION. BECAUSE OF DIFFERENCES BETWEEN US AND BRAZILIAN
NOMENCLATURE AND CUSTOMS CLASSIFICATIONS, THE MINISTRY OF FINANCE
EMPHASIZED THAT THE INFORMATION SHOULD BE VIEWED ONLY AS CLOSE
APPROXIMATIONS OF THE FISCAL CREDITS FOR EXPORTS RELATED TO THE
SPECIFIC US TARIFF SCHEDULE CATEGORIES.

| 2. TARIFF SCHEDULE | | EXPORT "CREDIT" | |
|--------------------|-------------------------|-----------------|-----|
| NUMBER | DESCRIPTION | IPI | ICM |
| 688.21 | SOLID STATE AUTO RADIOS | 15 | 13 |
| 683.60 | MAGNETOS | 10 | 10 |

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| | | | |
|----------|---------------------------|------|----|
| 437.64 | MENTHOL | 11 | 4 |
| 692.20 | AUTO,TRUCK,BUS CHASSIS | 13 | 13 |
| 660.52 | PARTS OF PISTON ENGINES | 13 | 13 |
| 607.31 | HIGH CARBON FERROCHROMIUM | 25 | - |
| 245.20 | HARDBOARD | 14.5 | 13 |
| 607.80 | FERROALLOYS,NES | 15 | 10 |
| 687.6036 | BIPOLAR TRANSISTOR | 10 | 10 |

| | | | |
|----------|----------------------------|------|----|
| 240.03 | veneers | 27.5 | 1 |
| 686.10 | resistors | 15 | 13 |
| | | 15 | 13 |
| 672.1540 | sewing machines | 12 | 12 |
| 727.55 | furniture, nes | 15 | 13 |
| 121.20 | genuine patent leather | 8 | - |
| 608.71 | steel wire rods | 15 | 10 |
| 692.60 | self-propelled vehicles | 13 | 13 |
| 607.57 | ferrosilicon manganese | 15 | 10 |
| | | 15 | 10 |
| 608.87 | plate,sheet steel | 15 | 10 |
| 706.05 | billfolds | 4 | - |
| 608.41 | concrete reinforcing board | 15 | 13 |
| 607.37 | high carbon ferromanganese | 25 | - |
| 607.51 | ferrosilicon | 15 | 10 |
| 791.25 | cut leather | 3 | - |
| 608.46 | non-alloy steel bars | 15 | 13 |
| 608.9530 | non-alloy steel sheets | 15 | 13 |
| 121.61 | fancy leather | 8 | - |
| 608.5250 | stainless steel bars | 15 | 10 |
| 730.41 | shotguns | 15 | 13 |
| 730.19 | pistols, revolvers | 15 | 13 |

3. IN CONNECTION WITH ABOVE INFORMATION ON REBATES, WASHINGTON
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AGENCIES MAY FIND REF B USEFUL. IT REPORTS GOB TRADE DATA FOR 1976-76 WHICH SHOW RAPID GROWTH IN BRAZILIAN IMPORTS OF TEXTILES AND MACHINERY

AND ELECTRICAL EQUIPMENT TO THE US, BOTH IN ABSOLUTE TERMS AND AS PROPORTIONS OF TOTAL BRAZILIAN EXPORTS OF THOSE PRODUCTS. IN 1976 THE US ACCOUNTED FOR THE FOLLOWING AMOUNTS OF SELECTED BRAZILIAN EXPORTS (US PROPORTION OF TOTAL IN PARANTHESIS): MACHINERY AND ELECTRICAL EQUIPMENT- \$137 MILLION (24 PERCENT); SHOES -\$132 MILLION (73 PERCENT); BASE METALS-\$65 MILLION (22 PERCENT); TEXTILES-\$65 MILLION (14 PERCENT). US IMPORTS IN THESE FOUR CATEGORIES IN 1976 WERE EQUIVALENT TO 27 PERCENT OF BRAZIL'S EXPORTS OF THOSE PRODUCTS AND TO 4 PERCENT OF BRAZIL'S TOTAL EXPORTS THAT YEAR.

SAYRE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORT DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 02 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRASIL06058
Document Source: CORE
Document Unique ID: 00
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Errors: N/A
Expiration:
Film Number: D780318-0920
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197808104/aaaadjgy.tel
Line Count: 107
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 55230358-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Retention: 0
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Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1552667
Secure: OPEN
Status: NATIVE
Subject: BRAZILIAN EXPORT REBATES
TAGS: ETRD, BR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/55230358-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
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